



**STATE OF NEW JERSEY**

*Board of Public Utilities*

*Two Gateway Center*

*Newark, NJ 07102*

[www.bpu.state.nj.us](http://www.bpu.state.nj.us)

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF  
WORLDXCHANGE CORP. FOR AUTHORITY  
TO PROVIDE LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES  
THROUGHOUT NEW JERSEY

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ORDER

DOCKET NO. TE03030175

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N. J. S. A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., and by letter dated March 6, 2003, WorldxChange Corp. ("Petitioner" or "WorldxChange") filed a Petition with the Board of Public Utilities ("Board") requesting authority to provide local exchange telecommunications services throughout the State of New Jersey. Petitioner requests confidential treatment of the financial information in Exhibit C of its Petition. Pursuant to the Open Public Records Act N. J. S. A. 47: 1A-1 et seq., the Petitioner has submitted its financial information under seal and has included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of proprietary information.

WorldxChange was incorporated under the laws of the State of Delaware on May 25, 2000. Petitioner's principal offices are located at 9775 Business Park Avenue, San Diego, California 92131.

Petitioner submitted copies of its Articles of Incorporation, New Jersey Certificate of Good Standing and its New Jersey Certificate of Authority to Operate as a Foreign Corporation. According to the Petition, WorldxChange was formed to provide local exchange telecommunications services throughout the State of New Jersey. Petitioner states that it is currently authorized to provide interexchange services in the contiguous 48 states, Hawaii, and the District of Columbia. Petitioner states it is authorized to provide facilities-based local exchange service in New York and is authorized to provide resold local exchange service in Montana, New Jersey, Vermont and Wisconsin. Petitioner further states that it has not been denied authority to provide telecommunications services in any state and there have been no civil or criminal proceedings against Petitioner in any jurisdiction.

On February 20, 2003, WorldxChange notified the Board of its intention to adopt Acceris Communications Partners and Acceris Communications Solutions as "doing business as" names in New Jersey. The Petitioner's registration will continue to be held in the name of WorldxChange Corp.

According to the Petition, WorldxChange intends to provide resold and/or unbundled network elements ("UNE") platform based local exchange services. As market conditions warrant,

WorldxChange intends to install facilities in New Jersey. Petitioner will provide voice and high speed data services through a combination of the latest technology switching and transport media comprised of the Lucent Technology 5 ESS generic 13 switch module, ADSL/SDSL transport and Internet service equipment and the latest optical multiplexer DAC's configurations. The hub portion of the switch will interconnect with the public switched network on signaling system 7 or feature group D facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop networks, both copper and fiber and transport networks as well as via WorldxChange facilities. Petitioner will employ a combination of its own equipment and facilities purchased from other entities in providing the proposed services. Petitioner will combine switchless resale and leasing of local loops in conjunction with Petitioner's owned switching and/or purchasing UNE from Verizon. WorldxChange plans to provide basic telephone exchange services, data services, Internet, digital subscriber line service, access services, and features such as call waiting, call forwarding, speed dialing, distinctive ringing, and three-way calling to business and residential customers. Petitioner will offer operator services, 911 and E911 service, directory listing, and third party calling arrangements. In addition, the Petitioner will provide local calling services and per use services such as call return and call redial.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8, N. J. A. C. 14:1-4.3 and 14:10 -1.16, which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices in San Diego, California. Petitioner also states, upon written notice from the Board, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that approval of this Petition will provide multiple public benefits by providing users of telecommunications services with greater reliability and by increasing the competitive choices available to users in the state. Petitioner states that increased competition will create incentives for lower prices, more innovative services and more responsive customer service. Petitioner also states that allowing WorldxChange Corp. to compete with other LECs will facilitate bringing the benefits of full competition to all New Jersey consumers, including an enhanced range of telecommunications services and increase in consumer choices. Petitioner asserts that expedited approval of its Petition will serve the public interest.

With regard to its technical and managerial qualifications, the Petitioner asserts that the experience of its principals, described in Exhibit B, demonstrates that the Petitioner has the technical and managerial resources for the provision of telecommunications services on an interstate and intrastate basis. Petitioner states it has all of the qualified personnel to provide competitive local exchange service, including accounting, engineering, sales and all other personnel required to provide such services.

## DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et. seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner meets all other requirements, including, but not limited to, a demonstration of financial, technical and managerial integrity.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). Approval is also in keeping with the New Jersey State Legislature's declaration that it is the policy of the State to provide diversity in the supply of telecommunications services, and its findings that competition will "promote efficiency, reduce regulatory delay and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed WorldxChange's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements which are necessary to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange telecommunications services throughout New Jersey subject to approval of its tariff and submission of pro forma, financials for its New Jersey operations. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60, and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and the Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner will not be able to provide telecommunications services until a tariff is approved by the Board and the required financial statements have been provided.

The Board HEREBY ORDERS that:

- 1) Petitioner file its tariff for Board approval.
- 2) Pursuant to N. J. S. A. 48:2-16.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year.
- 3) Pursuant to N. J. S. A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 the following year.

On or before February 1<sup>st</sup> of each year, the Petitioner will receive, from the Division of Audits, an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the company's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and statement of gross intrastate revenues from operations form is due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records under the USOA and within New Jersey.

Therefore, subject to the Petitioner's continuing responsibility to provide the Board its books and records upon 48 hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in New Jersey and under the USOA. As for Petitioner's request for confidential treatment of the financial information in Exhibit C, the Board shall handle such requests for confidential treatment in accordance with the Board's proposed regulations at N.J.A.C. 14:1-12, et seq.

DATED: 5/20/03

BOARD OF PUBLIC UTILITIES  
BY:

(SIGNED)

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JEANNE M. FOX  
PRESIDENT

(SIGNED)

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FREDERICK F. BUTLER  
COMMISSIONER

(SIGNED)

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CAROL J. MURPHY  
COMMISSIONER

(SIGNED)

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CONNIE O. HUGHES  
COMMISSIONER

(SIGNED)

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JACK ALTER  
COMMISSIONER

ATTEST:

(SIGNED)  
KRISTI IZZO  
SECRETARY

IN THE MATTER OF THE PETITION FOR AN ORDER AUTHORIZING  
WORLDXCHANGE CORP TO PROVIDE  
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES  
THROUGHOUT THE STATE OF NEW JERSEY  
DOCKET NO. TE03030175

**SERVICE LIST**

<b>Serial No.</b>	<b><u>Name and Address</u></b>	<b>Serial No.</b>	<b><u>Name and Address</u></b>
<b>1</b>	<b>Petitioner's Contact Person:</b> Desiree Neal, Mgr.of Regulatory Affairs WorldxChange Corp. 9775 Business Park Avenue San Diego, California 92131	<b>4</b>	<b>Board's Staff:</b> Walter Szymanski, Director Division of Audits Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
<b>2</b>	<b>Petitioner's Attorney:</b> Kenneth Saffren Esq. Saffren & Weinberg 1874 East Marlton Pike (Route 70) Suite 3 Cherry Hill, NJ 08003	<b>5</b>	<b>Board's Staff:</b> Anthony Centrella, Director Division of Telecommunications Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
<b>3</b>	<b>Ratepayer Advocate:</b> Seema M. Singh, Esquire Acting Director and Ratepayer Advocate Division of Ratepayer Advocate 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, New Jersey 07101	<b>6</b>	<b>Deputy Attorney General:</b> Peter Tanella Department of Law & Public Safety Division of Law 124 Halsey Street, 5 <sup>th</sup> floor P.O. Box 45029 Newark, New Jersey 07102